Irregularity in sale of Khadi

1469. SHRI GURUDAS DAS GUPTA: Will the Minister of INDUSTRY be pleased to state :

(a) whether Government are aware that Shri V. D. Nigam, Secretary, M.P. Khadi Commission Karamchari Union had exposed that powerloom and handloom cloth was sold as Khadi at double price;

(b) whether the then Secretary of Khadi Gramodyog Commission Shri Jagtap Dubbey had ordered an enquiry into the purchase of Khadi clothes worth Rupees four lakhs fifty four thousand from M/s. Bansal Traders in 1984-85 alleging malpractices;

(c) whether on the 14th July, 1987 the Director of Certification Department, Lucknow Shri G. P. Sinha, wrote to Bombay head office to the effect that during audit the charges were found to be true and that Madhya Pradesh Khadi Commission should not be given renewal and that steps be taken to recover Rs. 1.47 lakhs; and

(d) if so, what are the details and steps taken in the matter ?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM) : (a) to (d) Information is being collected and will be laid on the Table of the House.

Capital investment in village and small scale industries

1470. SHRI CHIMANBHAI MEHTA: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that village and small scale industries have attracted in significant capital investment as compared to overall industrial investment; if so, what are the details thereof;

(b) what is the actual amount of investment in village and small scale industries and overall industrial investment as on date, percentage-wise also;

(c) what is the comparative percentage of investment during the Seventh Plan period in this sector to the total investment in the industrial sector; and

(d) what steps are being taken for the development of village and small scale industries?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) No, Sir.

(b) and (c) There are large number of village, cottage and small scale industries under private ownership scattered in rural, semi-urban and urban areas. The capital investment data are neither maintained by these tiny units nor by any Government organisation.

The data on Plan Outlay on village and small scale industries and on large and medium scale industries are given in the enclosed Statement. (*See* below). The percentage allocation of Plan Outlay on village and small scale industries has been increasing during the plan period.

(d) Development of village and small scale industries primarily falls within the responsibility of the State Governments. However, Central Government supplements the efforts of the State Governments through provision of concessional avilable finance, transfer of technology, assisting in the provision of scarce and critical raw material, marketing assistance and creating infrastructure. National Equity Fund has been set up with the objective of providing special attention to the needs of smaller amongst small scale, units. It has also been decided to establish a small Industries Development Bank of India (SIDBI) to cater to the tiny and small industries.

Khadi & Village Industries Commission continues to play a pivotal role by developing and promoting Khadi and Village Industries in rural areas.